
HOUSE BILL 1876

State of Washington 60th Legislature 2007 Regular Session

By Representatives Conway, Wood and Ormsby

Read first time 01/31/2007. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to certification of mechanics performing heating,
2 ventilating, air conditioning, refrigeration, and gas piping work;
3 amending RCW 18.27.060; reenacting and amending RCW 43.84.092; adding
4 new chapters to Title 18 RCW; creating a new section; prescribing
5 penalties; and providing an effective date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** DEFINITIONS. The definitions in this
8 section apply throughout this chapter unless the context clearly
9 requires otherwise.

10 (1) "Board" means the HVAC/R board established in section 22 of
11 this act.

12 (2) "Contractor" means any person, corporate or otherwise, who is
13 registered as a contractor by the department under section 2 of this
14 act.

15 (3) "Department" means the department of labor and industries.

16 (4) "Director" means the director of the department or the
17 director's designee.

18 (5) "Fund" means the HVAC/R fund established in section 19 of this
19 act.

1 (6) "Gas piping" means pipes, valves, or fittings used to convey
2 fuel gas installed on a premise or in a building. "Gas piping" does
3 not include service piping.

4 (7) "Gas piping work" means to install, alter, repair, renovate,
5 remove, or replace gas piping.

6 (8) "Household appliance" means utilization equipment installed in
7 a dwelling unit that is built in standardized sizes or types and is
8 installed or connected as a unit to perform one or more functions
9 including, but not limited to, cooking and other equipment installed in
10 a kitchen, clothes drying, clothes washing, portable room air
11 conditioning units, and portable heaters.

12 (9) "HVAC/R" means heating, ventilating, air conditioning, and
13 refrigeration.

14 (10)(a) "HVAC/R equipment" means equipment necessary for any system
15 that heats, cools, conditions, ventilates, filters, humidifies, or
16 dehumidifies environmental air for industrial, commercial, or
17 residential use. HVAC/R equipment includes oil furnaces, propane
18 furnaces, decorative gas fireplaces, and heating ducts.

19 (b) "HVAC/R equipment" does not include: (i) Single, stand-alone
20 line voltage equipment or components, such as radiant panel heaters or
21 baseboard heaters, unless the equipment or component is exclusively
22 controlled by the HVAC/R system and requires an additional external
23 connection to a mechanical system, or contains an HVAC/R mechanical
24 system within the equipment; (ii) solid fuel burning devices, such as
25 wood stoves and coal stoves; or (iii) mechanical piping other than that
26 necessary to deliver fuel.

27 (11) "HVAC/R service" means to repair, modify, service, and perform
28 other work required for the normal continued performance of an HVAC/R
29 system. "HVAC/R service" does not mean to install or replace a system.

30 (12) "HVAC/R work" means to design, fabricate, construct, install,
31 modify, or repair HVAC/R equipment.

32 (13) "Indirect system" means a system in which a secondary coolant,
33 cooled or heated by the refrigeration system, is circulated to the air
34 or other substance to be cooled or heated.

35 (14) "Mechanic" means a person who has been issued a certificate of
36 competency by the department under section 9 of this act or a temporary
37 permit under section 14 of this act to perform work under this chapter.

1 (15) "Refrigeration system" means a combination of interconnected
2 refrigerant-containing parts constituting one closed refrigerant
3 circuit in which a refrigerant is circulated for the purpose of
4 extracting heat. "Refrigeration system" includes not only the direct
5 system but also the indirect system.

6 (16) "Technical college" means a public community or technical
7 college, or a not-for-profit nationally accredited technical or trade
8 school licensed by the workforce training and education coordinating
9 board under chapter 28C.10 RCW.

10 (17) "Trainee" means a person who has been issued a training
11 certificate by the department under section 10 of this act to perform
12 work under this chapter.

13 (18) "Valid" means not expired, revoked, or suspended.

14 NEW SECTION. **Sec. 2.** CONTRACTOR REGISTRATION AND MECHANIC
15 CERTIFICATION--REQUIREMENTS. (1) Except as provided in this chapter,
16 it is unlawful for:

17 (a) Any person, firm, partnership, corporation, or other entity to
18 advertise, offer to do work, submit a bid, engage in, conduct, or carry
19 on the business of performing HVAC/R work or gas piping work without
20 being registered as a contractor under chapter 18.27 RCW;

21 (b) Any person, firm, partnership, corporation, or other entity to
22 employ a person to perform or offer to perform HVAC/R work or gas
23 piping work who has not been issued a certificate or permit by the
24 department under this chapter; and

25 (c) Any person to perform HVAC/R work or gas piping work without
26 having in his or her possession a certificate or permit issued by the
27 department under this chapter.

28 (2) No political subdivision shall require a person possessing a
29 certificate or permit issued by the department under this chapter to
30 demonstrate any additional proof of competency, obtain any license, or
31 pay any fee to perform HVAC/R work or gas piping work.

32 NEW SECTION. **Sec. 3.** SCOPE OF WORK. The scope of work that may
33 be performed by a person certified in accordance with this chapter is
34 as follows:

35 (1) A residential HVAC/R mechanic may perform HVAC/R work, but only
36 in a residential structure.

1 (2) A commercial HVAC/R mechanic may perform any HVAC/R work.

2 (3) A gas piping mechanic I may perform gas piping work on gas
3 piping utilizing less than five hundred thousand British thermal units
4 input per hour. Under the direct supervision and in the presence of a
5 gas piping mechanic II, a gas piping mechanic I also may perform gas
6 piping work on gas piping using five hundred thousand British thermal
7 units input or more per hour.

8 (4) A gas piping mechanic II may perform any gas piping work.

9 NEW SECTION. **Sec. 4.** APPLICATION. (1) A person desiring to be
10 issued a certificate of competency under this chapter shall deliver
11 evidence in a form prescribed by the department affirming that he or
12 she has met the qualifications required under section 5 of this act.

13 (2) An HVAC/R mechanic from another state applying for a
14 certificate of competency must provide evidence in a form prescribed by
15 the department affirming that the person has the equivalent
16 qualifications to those required under section 5 of this act.

17 NEW SECTION. **Sec. 5.** ELIGIBILITY FOR EXAMINATION. (1) Upon
18 receipt of the application, the department shall review the application
19 and determine whether the applicant is eligible to take an examination
20 for a certificate of competency as follows:

21 (a) To be eligible to take the examination for a residential HVAC/R
22 mechanic certificate of competency the applicant must have:

23 (i) Performed HVAC/R work for a minimum of four thousand hours
24 under the supervision of an HVAC/R mechanic as specified in section 12
25 of this act; or

26 (ii) Successfully completed an apprenticeship program under chapter
27 49.04 RCW for residential HVAC/R work;

28 (b) To be eligible to take the examination for a commercial HVAC/R
29 mechanic certificate of competency the applicant must have:

30 (i) Performed HVAC/R work for a minimum of eight thousand hours
31 under the supervision of an HVAC/R mechanic as specified in section 12
32 of this act; or

33 (ii) Successfully completed an apprenticeship program approved
34 under chapter 49.04 RCW for commercial HVAC/R work;

35 (c) To be eligible to take the examination for a gas piping
36 mechanic I certificate of competency, the applicant must:

1 (i) Be eligible to take the examination for an HVAC/R mechanic
2 certificate of competency under (a) or (b) of this subsection;

3 (ii) Perform gas piping work for a minimum of one thousand hours
4 and successfully complete a sixty-hour training program approved by the
5 department with the advice of the board; or

6 (iii) Successfully complete an apprenticeship program under chapter
7 49.04 RCW for gas piping I work;

8 (d) To be eligible to take the examination for a gas piping
9 mechanic II certificate of competency, the applicant must:

10 (i) Be eligible to take the examination for a commercial HVAC/R
11 mechanic certificate of competency under (b) of this subsection;

12 (ii) Hold a gas piping I mechanic certificate of competency, and
13 perform gas piping work for a minimum of five thousand hours in
14 addition to the minimum of one thousand hours required to be eligible
15 to take the examination for the gas piping I mechanic certificate of
16 competency; or

17 (iii) Hold a gas piping I mechanic certificate of competency, and
18 successfully complete an apprenticeship program under chapter 49.04 RCW
19 for the gas piping trade.

20 (2) Upon making a determination that the applicant is eligible to
21 take the examination, the department shall so notify the applicant,
22 indicating the time and place for taking the examination.

23 (3) No noncertified individual may work unsupervised more than one
24 year beyond the date when the trainee would be eligible to test for a
25 certificate of competency if working on a full-time basis after
26 original application for the training certificate. For the purposes of
27 this section, "full-time basis" means two thousand hours per year.

28 NEW SECTION. **Sec. 6.** ALTERNATIVES TO WORK EXPERIENCE. (1) An
29 applicant for a certificate of competency who has successfully
30 completed a four thousand-hour program in HVAC/R work at a technical
31 college may substitute hours of the program for hours of work
32 experience as follows:

	Type of Certificate	Substitution for Work Experience
(a)	Residential HVAC/R mechanic	2,000 hours of technical college program may be substituted for 2,000 hours of work experience.

1	(b)	Commercial HVAC/R mechanic	4,000 hours of technical college program may be
2			substituted for 4,000 hours of work experience, so long
3			as the applicant obtains the additional 4,000 hours of
4			work experience prior to beginning, or after completing,
5			the technical school program.

6 (2) Any applicant who has received training in HVAC/R work in the
7 armed forces of the United States may be eligible to apply armed forces
8 work experience towards eligibility to take an examination for a
9 certificate of competency.

10 (3) The department shall determine whether hours of training and
11 experience in a technical college program or the armed forces are in
12 HVAC/R work and appropriate as a substitute for hours of work
13 experience.

14 NEW SECTION. **Sec. 7.** EXAMINATION. (1) The department, with the
15 advice of the board, shall adopt rules for examinations to be given
16 applicants for mechanic certificates of competency under this chapter.

17 (2) The department, with advice from the board, shall prepare an
18 examination to be administered to applicants for mechanic certificates
19 of competency.

20 (3) The department, with advice from the board, may enter into a
21 contract with a professional testing agency to develop, administer, and
22 score mechanic certification examinations. The department may set the
23 examination fee by contract with the professional testing agency.

24 (4) The department must, at least four times annually, administer
25 the examination to persons eligible to take it under section 5 of this
26 act. The fee must cover, but not exceed, the costs of preparing and
27 administering the examination.

28 (5) The department must certify the results of the examination upon
29 the terms and after such a period of time as the department, with the
30 advice of the board, deems necessary and proper.

31 (6) The examinations shall be constructed to determine:

32 (a) Whether the applicant possesses general knowledge of the
33 technical information and practical procedures that are identified with
34 the relevant scope of work; and

35 (b) Whether the applicant is familiar with the applicable

1 mechanical codes and administrative rules of the department pertaining
2 to the relevant scope of work.

3 (7) A person may take the examination as many times as necessary
4 without limit. All applicants must, before taking the examination, pay
5 the required examination fee to the agency administering the
6 examination.

7 NEW SECTION. **Sec. 8.** CERTIFICATION WITHOUT EXAMINATION. (1)

8 Before July 1, 2008, an applicant may apply for a residential HVAC/R
9 mechanic certificate of competency without examination, so long as the
10 applicant provides the department with evidence of at least four
11 thousand hours of verifiable HVAC/R work experience performed after
12 January 1, 1996. At least two thousand hours of this work experience
13 must be:

14 (a) HVAC/R work performed with a general or specialty HVAC/R
15 contractor registered under chapter 18.27, 18.106, or 19.28 RCW;

16 (b) HVAC/R work with a registered general or specialty HVAC/R
17 contractor, or the equivalent, which was accrued in another state or
18 country;

19 (c) HVAC/R work experience in the United States armed forces; or

20 (d) Any combination of at least four thousand hours of verifiable
21 HVAC/R work experience as described in (a) through (c) of this
22 subsection.

23 (2) Before July 1, 2008, a person may apply for a commercial HVAC/R
24 mechanic certificate of competency without examination, so long as the
25 applicant provides the department with evidence of at least eight
26 thousand hours of verifiable HVAC/R work experience performed after
27 January 1, 1996. At least four thousand hours of this work experience
28 must be:

29 (a) Commercial HVAC/R work with a general or specialty HVAC/R
30 contractor registered under chapter 18.27, 18.106, or 19.28 RCW;

31 (b) Commercial HVAC/R work with a general or specialty HVAC/R
32 contractor, or the equivalent, which was accrued in another state,
33 country, or province;

34 (c) Commercial HVAC/R work experience in the United States armed
35 forces; or

36 (d) Any combination of at least eight thousand hours of verifiable

1 HVAC/R work experience as described in (a) through (c) of this
2 subsection.

3 (3) Before July 1, 2008, a person may apply for certification as a
4 gas piping mechanic without examination, so long as he or she provides
5 the department with evidence that he or she:

6 (a) Performed at least one thousand hours of verifiable gas piping
7 work on or after January 1, 1996; or

8 (b) Was licensed as a gas piping fitter, installer, or mechanic by
9 Kennewick, Seattle, Spokane, Tacoma, Vancouver, or Yakima on July 1,
10 2007.

11 (4) The department may not accept applications for certification
12 without examination submitted on or after July 1, 2008. The department
13 may not extend this deadline.

14 NEW SECTION. **Sec. 9.** CERTIFICATES OF COMPETENCY. (1) The
15 department shall issue a certificate of competency to an applicant who
16 passes the examination as provided in section 7 of this act, and has
17 complied with this chapter and rules adopted under this chapter. The
18 department may deny an application for a certificate for up to two
19 years if the applicant's previous certificate has been revoked.

20 (2) The department shall renew a certificate of competency issued
21 to a mechanic who applies for renewal not more than ninety days after
22 the certificate expires, and has complied with the continuing education
23 requirement in section 11 of this act. The department may not renew a
24 certificate that has been revoked or suspended. The department may
25 deny renewal of a certificate if the applicant for renewal owes
26 outstanding penalties for a final judgment under this chapter.

27 (3) A certificate of competency is valid for three years, unless
28 revoked or suspended, and expires on the mechanic's birth date. The
29 certificate shall include the expiration date.

30 (4) The department shall create a single document and establish a
31 single expiration date for a mechanic who holds two or more
32 certificates or endorsements under chapters 18.106 and 19.28 RCW and
33 this chapter. The document shall list all of the mechanic's
34 certificates of competency and endorsements.

35 NEW SECTION. **Sec. 10.** TRAINING CERTIFICATES. (1) The department
36 shall issue a training certificate to an applicant who is indentured in

1 an apprenticeship program approved under chapter 49.04 RCW for HVAC/R
2 work or gas piping work or is otherwise learning to perform HVAC/R work
3 or gas piping work.

4 (2) The department shall renew a training certificate issued to a
5 trainee who provides the department with an accurate list of the
6 trainee's employers in the HVAC/R industry or the gas piping industry
7 for the previous two-year period and the number of hours worked for
8 each employer, and has complied with the continuing education
9 requirement in section 11 of this act.

10 (3) A trainee shall have his or her training certificate in his or
11 her possession when performing HVAC/R work or gas piping work. The
12 trainee shall show the certificate to an authorized representative of
13 the department at the representative's request.

14 (4) A training certificate is valid for two years, and expires on
15 the trainee's birth date. The certificate shall include the expiration
16 date.

17 NEW SECTION. **Sec. 11.** CONTINUING EDUCATION. (1) A mechanic must
18 demonstrate satisfactory completion of twenty-four hours of continuing
19 education in the three-year period prior to renewing his or her
20 certificate. A trainee must demonstrate satisfactory completion of
21 sixty hours of related supplemental instruction or equivalent training
22 courses taken as part of an apprenticeship program approved under
23 chapter 49.04 RCW in the two-year period prior to renewing his or her
24 certificate.

25 (2) The department, with the advice of the board, shall determine
26 the contents of continuing education courses and establish the
27 requirements for satisfactory completion of such courses. If the
28 department determines that a continuing education course offered in
29 another state is comparable to courses offered in Washington, the
30 department shall accept proof of satisfactory completion of the course
31 as meeting the continuing education requirement in this section.

32 NEW SECTION. **Sec. 12.** TRAINEE SUPERVISION. (1) Except as
33 provided in subsection (2) of this section, a trainee may perform
34 HVAC/R work or gas piping work, but only when the trainee is on the
35 same job site and under the control of a mechanic. The percentage of
36 the working day that the mechanic is on the same job site as the

1 trainee must not be less than the supervision requirement in this
 2 subsection. The ratio of trainees to mechanics on the same job site
 3 must not be greater than the ratio requirement in this subsection.

4	Trainee is working as a --	Mechanic must be certified as a --	Supervision requirement	Ratio requirement for trainees not in a technical college program	Ratio requirement for trainees in a technical college program
8	(a) Residential HVAC/R mechanic	Residential or commercial HVAC/R mechanic	75 percent	2 trainees to 1 mechanic	4 trainees to 1 mechanic
11	(b) Commercial HVAC/R mechanic	Commercial HVAC/R mechanic	75 percent	1 trainee to 1 mechanic	4 trainees to 1 mechanic
13	(c) Gas piping mechanic I	Gas piping I or gas piping II mechanic	75 percent	2 trainees to 1 mechanic	4 trainees to 1 mechanic
15	(d) Gas piping mechanic II	Gas piping II mechanic	75 percent	1 trainee to 1 mechanic	4 trainees to 1 mechanic

17 (2) Subsection (1) of this section does not apply to a trainee who:

18 (a) Successfully completed or is currently enrolled in an approved
 19 apprenticeship program or a technical college, and is completing the
 20 last six months of HVAC/R work experience or gas piping work experience
 21 required under section 5 of this act; or

22 (b) Performs HVAC/R service work while on the same job site as a
 23 mechanic. The percentage of the working day that the mechanic is on
 24 the same job site as the trainee must not be less than the supervision
 25 requirement specified in rule.

26 NEW SECTION. **Sec. 13.** TRAINEE HOURS. (1)(a) Each contractor
 27 shall report to the department the names and certificate numbers of
 28 trainees who worked on behalf of the contractor and the hours worked by
 29 each of the trainees, and shall attest that all of the reported hours
 30 worked by trainees were in compliance with the supervision and ratio
 31 requirements in section 12 of this act.

32 (b) Each contractor shall also report to the department the names
 33 and certificate numbers of supervising mechanics. The contractor is

1 not required to identify what hours worked by trainees were supervised
2 by a specific mechanic.

3 (2) The department may audit the records of a contractor that
4 reported hours worked by a trainee under subsection (1) of this section
5 in the following circumstances: (a) Excessive hours were reported; (b)
6 hours were reported outside the normal course of the contractor's
7 business; (c) the type of hours reported do not reasonably match the
8 type of permits purchased; or (d) for other similar circumstances in
9 which the department demonstrates a likelihood of excessive hours being
10 reported. The department shall limit the audit to records necessary to
11 verify hours.

12 (3) Information obtained from a contractor under this section is
13 confidential and is not open to public inspection under chapter 42.56
14 RCW.

15 NEW SECTION. **Sec. 14.** TEMPORARY PERMITS. (1) The department may
16 issue a temporary permit in lieu of a certificate of competency to a
17 mechanic from another state. A mechanic with a temporary permit may
18 perform HVAC/R work during the period of time beginning when the
19 mechanic submits an application to the department for a certificate of
20 competency and the department furnishes to the applicant the results of
21 the examination for the certificate.

22 (2) The department may not issue a temporary permit to any
23 applicant who is not eligible to take the examination for a certificate
24 of competency or failed the examination for the certificate.

25 (3) A mechanic with a temporary permit who fails the examination
26 for a certificate of competency is entitled to continue to perform
27 HVAC/R work under the temporary permit for ninety days if the mechanic
28 is enrolled in a mechanic refresher course. After completing the
29 mechanic refresher course, the mechanic may retake the examination.

30 (4) The department may enter into a reciprocity agreement with
31 another state whose certification requirements are equal to the
32 standards set under this chapter. The reciprocity agreement shall
33 provide for the acceptance of Washington and the other state's mechanic
34 certificate of competency or its equivalent by Washington and the other
35 state.

1 NEW SECTION. **Sec. 15.** SUSPENSION AND REVOCATION. (1) The

2 department may revoke a certificate of competency if the department
3 determines that the mechanic: (a) Obtained his or her certificate
4 through error or fraud; (b) is incompetent to perform HVAC/R work or
5 gas piping work; or (c) committed a violation of this chapter or rules
6 adopted under this chapter that presents imminent danger to the public.

7 (2) The department shall immediately suspend the certificate of a
8 person who has been certified pursuant to RCW 74.20A.320 by the
9 department of social and health services as a person who is not in
10 compliance with a support order. If the person has continued to meet
11 all other requirements for reinstatement during the suspension,
12 reissuance of the certificate shall be automatic upon the department's
13 receipt of a release issued by the department of social and health
14 services stating that the person is in compliance with the order.

15 NEW SECTION. **Sec. 16.** EXEMPTIONS. (1) This chapter does not

16 apply to:

17 (a) A person performing HVAC/R work or gas piping work at his or
18 her residence, farm, place of business, or on other property owned by
19 him or her unless the HVAC/R work or gas piping work is on the
20 construction of a new building intended for rent, sale, or lease;

21 (b) A person performing HVAC/R work or gas piping work on his or
22 her own property or to regularly employed employees working on the
23 premises of their employer, unless the HVAC/R work or gas piping work
24 is on the construction of a new building intended for rent, sale, or
25 lease;

26 (c) A person performing work for or on behalf of a natural gas
27 utility, including the installation, repair, and maintenance of gas
28 piping when such work is incidental to the business of delivering
29 natural gas to the premises. For the purposes of this chapter,
30 "natural gas utility" means a gas company, as defined under RCW
31 80.04.010;

32 (d) An architect licensed under chapter 18.08 RCW or an engineer
33 licensed under chapter 18.43 RCW who is designing HVAC/R systems or gas
34 piping systems, but who is not otherwise performing HVAC/R work or gas
35 piping work; or

36 (e) A person making a like-in-kind replacement of a household
37 appliance.

1 (2) Nothing precludes any person who is exempt from the
2 certification requirements of this chapter under this section from
3 obtaining a mechanic certificate of competency if they otherwise meet
4 the requirements of this chapter.

5 NEW SECTION. **Sec. 17.** CIVIL PENALTIES. Any person, firm,
6 partnership, corporation, or other entity found in violation of this
7 chapter shall be assessed a penalty of not less than fifty dollars or
8 more than five hundred dollars. The department shall set by rule a
9 schedule of penalties for violating this chapter. Each day that a
10 person, firm, partnership, corporation, or other entity violates this
11 chapter is a separate violation.

12 NEW SECTION. **Sec. 18.** APPLICATION OF ADMINISTRATIVE PROCEDURE
13 ACT. The proceedings for denying applications, suspending or revoking
14 certificates, and imposing civil penalties or other remedies issued
15 pursuant to this chapter and any appeal therefrom or review thereof
16 shall be governed by the provisions of the administrative procedure
17 act, chapter 34.05 RCW.

18 NEW SECTION. **Sec. 19.** HVAC/R FUND. The HVAC/R fund is created in
19 the custody of the state treasurer. All receipts from certificates of
20 competency and other sources must be deposited into the fund.
21 Expenditures from the fund may be used only for the administration and
22 enforcement of this chapter. Only the director, with the approval of
23 the board, may authorize expenditures from the fund. The fund is
24 subject to allotment procedures under chapter 43.88 RCW, but an
25 appropriation is not required for expenditures.

26 **Sec. 20.** RCW 43.84.092 and 2006 c 337 s 11, 2006 c 311 s 23, 2006
27 c 171 s 10, 2006 c 56 s 10, and 2006 c 6 s 8 are each reenacted and
28 amended to read as follows:

29 HVAC/R FUND--INTEREST EARNINGS. (1) All earnings of investments of
30 surplus balances in the state treasury shall be deposited to the
31 treasury income account, which account is hereby established in the
32 state treasury.

33 (2) The treasury income account shall be utilized to pay or receive
34 funds associated with federal programs as required by the federal cash

1 management improvement act of 1990. The treasury income account is
2 subject in all respects to chapter 43.88 RCW, but no appropriation is
3 required for refunds or allocations of interest earnings required by
4 the cash management improvement act. Refunds of interest to the
5 federal treasury required under the cash management improvement act
6 fall under RCW 43.88.180 and shall not require appropriation. The
7 office of financial management shall determine the amounts due to or
8 from the federal government pursuant to the cash management improvement
9 act. The office of financial management may direct transfers of funds
10 between accounts as deemed necessary to implement the provisions of the
11 cash management improvement act, and this subsection. Refunds or
12 allocations shall occur prior to the distributions of earnings set
13 forth in subsection (4) of this section.

14 (3) Except for the provisions of RCW 43.84.160, the treasury income
15 account may be utilized for the payment of purchased banking services
16 on behalf of treasury funds including, but not limited to, depository,
17 safekeeping, and disbursement functions for the state treasury and
18 affected state agencies. The treasury income account is subject in all
19 respects to chapter 43.88 RCW, but no appropriation is required for
20 payments to financial institutions. Payments shall occur prior to
21 distribution of earnings set forth in subsection (4) of this section.

22 (4) Monthly, the state treasurer shall distribute the earnings
23 credited to the treasury income account. The state treasurer shall
24 credit the general fund with all the earnings credited to the treasury
25 income account except:

26 (a) The following accounts and funds shall receive their
27 proportionate share of earnings based upon each account's and fund's
28 average daily balance for the period: The capitol building
29 construction account, the Cedar River channel construction and
30 operation account, the Central Washington University capital projects
31 account, the charitable, educational, penal and reformatory
32 institutions account, the Columbia river basin water supply development
33 account, the common school construction fund, the county criminal
34 justice assistance account, the county sales and use tax equalization
35 account, the data processing building construction account, the
36 deferred compensation administrative account, the deferred compensation
37 principal account, the department of retirement systems expense
38 account, the developmental disabilities community trust account, the

1 drinking water assistance account, the drinking water assistance
2 administrative account, the drinking water assistance repayment
3 account, the Eastern Washington University capital projects account,
4 the education construction fund, the education legacy trust account,
5 the election account, the emergency reserve fund, the energy freedom
6 account, The Evergreen State College capital projects account, the
7 federal forest revolving account, the freight mobility investment
8 account, the freight mobility multimodal account, the health services
9 account, the public health services account, the health system capacity
10 account, the personal health services account, the state higher
11 education construction account, the higher education construction
12 account, the highway infrastructure account, the high-occupancy toll
13 lanes operations account, the HVAC/R fund, the industrial insurance
14 premium refund account, the judges' retirement account, the judicial
15 retirement administrative account, the judicial retirement principal
16 account, the local leasehold excise tax account, the local real estate
17 excise tax account, the local sales and use tax account, the medical
18 aid account, the mobile home park relocation fund, the multimodal
19 transportation account, the municipal criminal justice assistance
20 account, the municipal sales and use tax equalization account, the
21 natural resources deposit account, the oyster reserve land account, the
22 pension funding stabilization account, the perpetual surveillance and
23 maintenance account, the public employees' retirement system plan 1
24 account, the public employees' retirement system combined plan 2 and
25 plan 3 account, the public facilities construction loan revolving
26 account beginning July 1, 2004, the public health supplemental account,
27 the public works assistance account, the Puyallup tribal settlement
28 account, the real estate appraiser commission account, the regional
29 mobility grant program account, the resource management cost account,
30 the rural Washington loan fund, the site closure account, the small
31 city pavement and sidewalk account, the special wildlife account, the
32 state employees' insurance account, the state employees' insurance
33 reserve account, the state investment board expense account, the state
34 investment board commingled trust fund accounts, the supplemental
35 pension account, the Tacoma Narrows toll bridge account, the teachers'
36 retirement system plan 1 account, the teachers' retirement system
37 combined plan 2 and plan 3 account, the tobacco prevention and control
38 account, the tobacco settlement account, the transportation

1 infrastructure account, the transportation partnership account, the
2 tuition recovery trust fund, the University of Washington bond
3 retirement fund, the University of Washington building account, the
4 volunteer fire fighters' and reserve officers' relief and pension
5 principal fund, the volunteer fire fighters' and reserve officers'
6 administrative fund, the Washington fruit express account, the
7 Washington judicial retirement system account, the Washington law
8 enforcement officers' and fire fighters' system plan 1 retirement
9 account, the Washington law enforcement officers' and fire fighters'
10 system plan 2 retirement account, the Washington public safety
11 employees' plan 2 retirement account, the Washington school employees'
12 retirement system combined plan 2 and 3 account, the Washington state
13 health insurance pool account, the Washington state patrol retirement
14 account, the Washington State University building account, the
15 Washington State University bond retirement fund, the water pollution
16 control revolving fund, and the Western Washington University capital
17 projects account. Earnings derived from investing balances of the
18 agricultural permanent fund, the normal school permanent fund, the
19 permanent common school fund, the scientific permanent fund, and the
20 state university permanent fund shall be allocated to their respective
21 beneficiary accounts. All earnings to be distributed under this
22 subsection (4)(a) shall first be reduced by the allocation to the state
23 treasurer's service fund pursuant to RCW 43.08.190.

24 (b) The following accounts and funds shall receive eighty percent
25 of their proportionate share of earnings based upon each account's or
26 fund's average daily balance for the period: The aeronautics account,
27 the aircraft search and rescue account, the county arterial
28 preservation account, the department of licensing services account, the
29 essential rail assistance account, the ferry bond retirement fund, the
30 grade crossing protective fund, the high capacity transportation
31 account, the highway bond retirement fund, the highway safety account,
32 the motor vehicle fund, the motorcycle safety education account, the
33 pilotage account, the public transportation systems account, the Puget
34 Sound capital construction account, the Puget Sound ferry operations
35 account, the recreational vehicle account, the rural arterial trust
36 account, the safety and education account, the special category C
37 account, the state patrol highway account, the transportation 2003
38 account (nickel account), the transportation equipment fund, the

1 transportation fund, the transportation improvement account, the
2 transportation improvement board bond retirement account, and the urban
3 arterial trust account.

4 (5) In conformance with Article II, section 37 of the state
5 Constitution, no treasury accounts or funds shall be allocated earnings
6 without the specific affirmative directive of this section.

7 NEW SECTION. **Sec. 21.** LIABILITY. (1) This chapter may not be
8 construed to relieve from or lessen the responsibility or liability of
9 any person for injury or damage to person or property caused by or
10 resulting from any HVAC/R work performed by the person.

11 (2) The state of Washington, and its officers, agents, and
12 employees may not be held liable for any acts performed pursuant to
13 this chapter.

14 NEW SECTION. **Sec. 22.** HVAC/R BOARD. (1) An HVAC/R board is
15 established.

16 (2) The board shall consist of seven members to be appointed by the
17 governor with the advice of the director.

18 (a) Three members shall be mechanics, of which:

19 (i) At least one, but not more than two, shall be a mechanic
20 performing work east of the crest of the Cascade mountains;

21 (ii) At least one, but not more than two, shall be a residential
22 HVAC/R mechanic; and

23 (iii) At least one, but not more than two, shall be either an
24 HVAC/R mechanic with a gas piping endorsement or a gas piping mechanic.

25 (b) Three members shall be contractors, of which at least one, but
26 not more than two, shall be a contractor doing business east of the
27 crest of the Cascade mountains.

28 (c) One member shall be from the general public and be familiar
29 with HVAC/R work.

30 (d) Except as provided in this subsection, the term of each member
31 shall be three years. The term of each initial member shall expire as
32 follows: (i) The terms of the first HVAC/R mechanic and the first
33 HVAC/R contractor shall expire July 1, 2008; (ii) the terms of the
34 second HVAC/R mechanic, the second HVAC/R contractor, and the public
35 member shall expire July 1, 2009; and (iii) the terms of the third
36 HVAC/R mechanic and the third HVAC/R contractor shall expire July 1,

1 2010. To ensure that the board may continue to act, a member whose
2 term expires shall continue to serve until his or her replacement is
3 appointed. In the case of any vacancy on the board for any reason, the
4 governor shall appoint a new member to serve out the term of the person
5 whose position has become vacant.

6 (e) The board shall, at its first meeting, elect one of its members
7 to serve as chair.

8 (3) The board shall meet at least quarterly in accordance with a
9 schedule established by the board.

10 (4) The board shall:

11 (a) Conduct proceedings for denying applications, suspending or
12 revoking certificates, and imposing civil penalties or other remedies.
13 Such proceedings shall be conducted in accordance with chapter 34.05
14 RCW;

15 (b) Review and make recommendations to adopt, amend, or repeal any
16 rules under this chapter. The director may not adopt, amend, or repeal
17 any rules until the board has conducted its review and made its
18 recommendations;

19 (c) Approve expenditures from the fund; and

20 (d) Advise the department on all other matters relative to this
21 chapter.

22 (5) The members of the board are entitled to be reimbursed for
23 travel expenses in accordance with RCW 43.03.050 and 43.03.060.

24 NEW SECTION. **Sec. 23.** ADMINISTRATION. (1) The director may adopt
25 rules necessary for the administration of this chapter.

26 (2) The department shall assess fees for the issuance or renewal of
27 certificates, endorsements, and permits. Fees shall be set in rules.
28 Fees shall cover but not exceed the costs of administering this
29 chapter.

30 (3) The department shall administer this chapter in conjunction
31 with its administration of chapter 18.106 RCW. The costs of
32 administering these chapters shall be paid proportionately from the
33 HVAC/R fund established in section 19 of this act and the plumbing
34 certificate fund established in RCW 18.106.130.

35 (4) In the administration of this chapter, the department shall not
36 enter any controversy arising over work assignments with respect to the
37 trades involved in the construction industry.

1 NEW SECTION. **Sec. 24.** EFFECT ON OTHER LAWS. (1) Nothing in this
2 chapter shall be construed to modify chapter 18.106 or 19.28 RCW.

3 (2) Nothing in this chapter prohibits or restricts an individual
4 who is certified under chapter 18.106 or 19.28 RCW from engaging in the
5 trade in which he or she is certified.

6 **Sec. 25.** RCW 18.27.060 and 2006 c 185 s 14 are each amended to
7 read as follows:

8 GENERAL AND SPECIALITY CONTRACTOR REGISTRATION. (1) A certificate
9 of registration shall be valid for two years and shall be renewed on or
10 before the expiration date. The department shall issue to the
11 applicant a certificate of registration upon compliance with the
12 registration requirements of this chapter.

13 (2) If the department approves an application, it shall issue a
14 certificate of registration to the applicant.

15 (3) If a contractor's surety bond or other security has an
16 unsatisfied judgment against it or is canceled, or if the contractor's
17 insurance policy is canceled, the contractor's registration shall be
18 automatically suspended on the effective date of the impairment or
19 cancellation. The department shall mail notice of the suspension to
20 the contractor's address on the certificate of registration by
21 certified and by first class mail within two days after suspension.

22 (4) Renewal of registration is valid on the date the department
23 receives the required fee and proof of bond and liability insurance, if
24 sent by certified mail or other means requiring proof of delivery. The
25 receipt or proof of delivery shall serve as the contractor's proof of
26 renewed registration until he or she receives verification from the
27 department.

28 (5) The department shall immediately suspend the certificate of
29 registration of a contractor who has been certified by the department
30 of social and health services as a person who is not in compliance with
31 a support order or a visitation order as provided in RCW 74.20A.320.
32 The certificate of registration shall not be reissued or renewed unless
33 the person provides to the department a release from the department of
34 social and health services stating that he or she is in compliance with
35 the order and the person has continued to meet all other requirements
36 for certification during the suspension.

1 (6) For a contractor who employs plumbers, as described in RCW
2 18.106.010(10)(c), and is also required to be licensed as an electrical
3 contractor as required in RCW 19.28.041, while doing pump and
4 irrigation or domestic pump work described in rule as authorized by RCW
5 19.28.251, the department shall establish a single
6 registration/licensing document for those who qualify for both general
7 contractor registration as defined by this chapter and an electrical
8 contractor license as defined by chapter 19.28 RCW.

9 (7) For a contractor who qualifies for two or more registrations or
10 licenses under this chapter, chapter 18.-- (sections 1 through 19 and
11 21 through 24 of this act), and 19.28 RCW, the department shall
12 establish a single registration/licensing document. The document shall
13 list all of the contractor's registrations and licenses.

14 NEW SECTION. Sec. 26. TRADE COORDINATION PANEL. (1) A trade
15 coordination panel is hereby established.

16 (2) The panel shall consist of the following: (a) The director of
17 the department of labor and industries or the director's designee; (b)
18 the chair of the plumbing advisory board established in RCW 18.106.110
19 or the chair's designee; (c) the chair of the electrical board
20 established in RCW 19.28.311 or the chair's designee; and (d) the chair
21 of the HVAC/R board established in section 22 of this act or the
22 chair's designee. The panel shall choose its chair from among its
23 membership.

24 (3) The panel shall meet as needed, but only if the plumbing
25 advisory board, the electrical board, or the HVAC/R board determines
26 that there is a conflict regarding the scope of work of one or more of
27 the following: (a) Plumbing contractors and plumbers subject to
28 chapter 18.106 RCW; (b) electrical contractors and electricians subject
29 to chapter 19.28 RCW; and (c) HVAC/R contractors and mechanics subject
30 to chapter 18.-- RCW (sections 1 through 19 and 21 through 24 of this
31 act).

32 (4) The panel shall review the conflict, consider alternatives for
33 resolving the conflict, and make findings and recommendations related
34 to a preferred alternative. The panel shall submit written findings
35 and recommendations to the director, the electrical board, the plumbing
36 advisory board, and the HVAC/R board within thirty days of any meeting.
37 If the panel makes a unanimous recommendation, the panel shall forward

1 the recommendation to the plumbing advisory board, the electrical
2 board, and the HVAC/R board for their consideration and adoption. If
3 the plumbing advisory board, the electrical board, or the HVAC/R board
4 does not adopt the panel's recommendation, the director shall be
5 responsible for resolving the conflict.

6 (5) The members of the panel are entitled to be reimbursed for
7 travel expenses in accordance with RCW 43.03.050 and 43.03.060.

8 NEW SECTION. **Sec. 27.** CODIFICATION. (1) Sections 1 through 19
9 and 21 through 24 of this act constitute a new chapter in Title 18 RCW.

10 (2) Section 26 of this act constitutes a new chapter in Title 18
11 RCW.

12 NEW SECTION. **Sec. 28.** CAPTIONS. Captions used in this act are
13 not any part of the law.

14 NEW SECTION. **Sec. 29.** SEVERABILITY. If any provision of this act
15 or its application to any person or circumstance is held invalid, the
16 remainder of the act or the application of the provision to other
17 persons or circumstances is not affected.

18 NEW SECTION. **Sec. 30.** EFFECTIVE DATE. This act takes effect
19 January 1, 2008.

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